

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS**

Regular Meeting

September 27, 2013

12:00 p.m.

Kerckhoff Hall Staterooms

PRESENT: John Bollard, Precious Elam, Karleen Giannitrapani, Mike Jedlicka, Robert Kurtzman, Monet LeMon, Amy Liu, Joel Ontiveros, Adam Swart, Dorothy Wiley, Bob Williams, Jordan Wong, and David Zeke

ABSENT: Agnes Warren

MANAGEMENT: Cindy Bolton, ASUCLA Director of Food Operations
Roy Champawat, ASUCLA Student Union Director
Rich Delia, ASUCLA Chief Financial Officer/Finance Director
Sandra Gillespie, ASUCLA Association Affairs Manager
Patrick Healey, UCLA Store General Manager/Director
Apparel/Accessories/LuValle Commons/Health Sciences Store
Karen Noh, ASUCLA Special Projects Director

GUESTS: Yael Levin, Daily Bruin

CALL TO ORDER

Mr. Ontiveros called the meeting to order at 12:04 p.m.

APPROVAL OF AGENDA

Mr. Ontiveros called for consent to approve the Associated Students UCLA Board of Directors September 27, 2013 Regular Meeting Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Mr. Ontiveros called for consent to approve the Associated Students UCLA Board of Directors August 30, 2013 Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

A. Financial/Operational Items

1. August

Overall financial results for Services and Enterprises were ahead of net income plan by \$23,000. The General Merchandise Division was very close to plan in both sales and contribution. Bearwear sales and contribution were both ahead of plan and last year. The Academic Support Division was behind in sales most notably in the Computer Store and fell short of its contribution budget by approximately \$28,000. The outlying stores saw mixed results. The LuValle Store had a slower than anticipated August, primarily in book sales, while the Health Sciences Store was ahead of plan but this was due to early sales of dental kits which will balance out in future periods.

Food Service was off plan by a small amount in both sales and contribution as late summer traffic fell off. Patterns continue to be similar to last year with most units very close to their plans. North Campus and Café Synapse, while off their new plans, were somewhat ahead of last year showing some signs of improvement. The Cooperage had a slow month and Catering and Concessions are now on their more aggressive budgets.

The Services Division was off plan with small shortfalls in both domestic and international licensing. The Student Union had a strong month exceeding budgeted contribution by \$24,560 with added event income.

Savings in A&SS as well as Maintenance and Depreciation helped offset sales shortfalls leading to a solid month in contribution.

2. September

September store sales are off to a slow start in the Academic Support Division which includes both textbooks and computers. Disruptions in the Computer Store during construction could have had an impact but they also faced challenges due to the product price trends and competition. The remodel is nearing completion and the new advertising campaign will begin next week giving a better indicator of the trend by next month. In September there is a timing issue with dental kits from last month which shows as a negative this month.

Food Service trends in September are ahead of plan in sales but only due to a sizeable positive variance in Catering. Individual unit sales continue to be sluggish in both Ackerman Union and several third party operations.

B. Our Independent Bookstore

1. Dorm Textbook Pickup

There were approximately 70 textbook orders scheduled for pick up at the residence halls. All but 9 picked up their books in front of the Hill Top Shop.

C. Campus Partnerships

1. Welcome Week Events

Welcome Week events are going smoothly. A Taste of UCLA Restaurants was full on Monday and as well as the sale on Tuesday. The job fair on Wednesday was at maximum capacity with many students seeking employment. ASUCLA also supported many other student events including Bruin Bash through the Student Support Division.

2. Nick Pasquale Foundation T-Shirts

The UCLA Store was a major partner with Coach Mora, the football program, and adidas on the number 36 Nick Pasquale t- shirt program at both the game Saturday and online. 800 shirts were sold at the Rose Bowl on Saturday with the proceeds benefiting the Nick Pasquale Foundation. In addition to the initial 800 shirts, adidas is donating another 200. 100% of the revenue will be donated to the foundation for the first 1,000 shirts sold. The UCLA Store has placed an additional order of 1,032 shirts for orders that were placed online and to make it available in the Store.

3. Concession Stands

New retail booths were open at the Rose Bowl this year and reactions have been positive from both fans and the Department of Intercollegiate Athletics (DIA).

4. UCLA Fall Open House

In support of the new UCLA Open House program this fall, the UCLA Store is providing 1,200 store coupons to be distributed during the open house which will be held in Pauley Pavilion on Saturday, September 28.

5. UCLA Day at the LA County Fair

In coordination with Cultural and Recreational Affairs (CRA), the UCLA Store will have a booth at the LA County Fair on Saturday, September 28.

D. Championship Service

1. Monster Sale

The first and biggest sale of the year, the Monster Sale, is scheduled for October 24 at all Store locations. This event has the largest marketing effort and is a great opportunity to get great deals on Bearwear and other Store products.

E. Your Student Association

1. The Black Experience Mural

Mr. Champawat is finalizing plans for the Afrikan Student Union celebration on October 4. Management is working to find a way to take down all or part of the wall for the event.

2. T-shirt Design Contest

The t-shirt design contest is up and running. USAC General Representative 2, Sunny Singh and his staff passed out flyers at Enormous Activities Fair. Students seemed particularly excited about the prize which is to have their design sold by the UCLA Store.

3. ASUCLA Benefits U

The current ASUCLA Benefits U registration is at 26,998 undergraduates and 6,003 graduate students. The loyalty program has been instrumental in keeping the student data updated and accurate. More graduate students are being registered this year. As students migrate to the new Google suite, management has to keep an eye on open and click rates. Management is working with the email vendor to keep up on changes to Google and ways to respond. The email design is evolving and more targeted messaging will be sent. The increased use of the loyalty program and redemption of rewards is a goal for this year.

F. Building Toward the Future

1. Global Viewpoint Lounge

Final approval on the door selection had to be approved by the Fire Marshal and is now being scheduled for installation.

2. Computer Store Expansion Project

This project is close to completion with some additional fixtures and vendor marketing to be added. There will be new fixtures for the wall for the PC laptops that will work better to conceal the wires and be coordinated with the register stand. Management is also considering some LCD screens to promote product and services.

There will be a grand re-opening event for the Computer Store, which will have discounts on Apple hardware and possibly other vendor support.

3. Health Sciences Store-Computer Store

The new Computer Store outlet at the Health Sciences Store is nearing completion.

4. Wolfgang Puck Express

Wolfgang Puck Express opened on Wednesday, September 18 and has been getting great reviews. The patio furniture has been installed and they are waiting for some planters and signage to complete the area.

5. Terasaki Cart

The coffee cart opened yesterday, September 26.

6. Student Space Projects

Discussions are ongoing about potential future space projects including the future of the loading dock area. ASUCLA has been approached by Undergraduate Education to determine if there is Student Union space available for lease. Management is looking at potential spaces and plans to continue discussions.

G. Board of Director Priorities

1. E-Commerce/Licensing

Testing is planned for Facebook newsfeed advertisements. The goal is to reach out to a UCLA fans that are not part of the ASUCLA network. Facebook enables advertisers to target users who have some affiliation with UCLA or mention UCLA in their status updates

or check-ins. There will also be able to track demographic information, particularly age and gender, based on who “clicks” and “likes” the ads. This promotion will appear before the Utah game on Thursday, October 3 and will appear post-game if the football team wins.

Efforts for Ecommerce/Licensing will also begin to do additional return analysis and additional marketing refinements. In addition, management continues to analyze Pac 12 interactions and ASUCLA’s strategy including the potential consultant engagement.

2. Student Media Support

Mr. Williams was contacted by Mr. Pena from the Communications Board and Ms. Gillespie will be setting up a time for the Student Media/Services and Enterprises summit.

3. Campus Partnerships

The Store continues to work with DIA on the Nick Pasquale program as well as other initiatives. Management continues to work with the Healthy Campus Initiative group and Ms. Bolton hosted the last meeting at North Campus to sample some of the new menu items.

4. Social Responsibility/Sustainability

The battery kiosks swap boxes are installed. Swap boxes are also coming to residence halls so that students will be able to switch them out in more locations.

EXECUTIVE COMMITTEE REPORT

Ms. Liu stated that the committee met on September 13 and discussed the role of the Conduct Committee. There was also a discussion regarding ASUCLA’s current delegations and role on campus. The Committee briefly discussed the Board meeting calendar for FY 14-15.

FINANCE COMMITTEE REPORT

Mr. Zeke stated that the committee met on September 20 and heard both an Executive Director and Finance Director’s Report. There also was a presentation from PricewaterhouseCoopers that explained their upcoming audit plan.

SERVICES COMMITTEE REPORT

In the absence of Mr. Swart, Ms. Liu provided the Services Committee report. The committee met on September 13 and heard an Executive Director’s Report. There also was another presentation from the Students for Justice in Palestine regarding the social responsibility issue with Hewlett Packard. The committee will be hearing a rebuttal from Bruins for Israel at their next meeting. The committee also heard a presentation from Michael Starr regarding a fundraising effort for UCLA UniCamp which has been forwarded to the Board for approval today.

PERSONNEL COMMITTEE REPORT

Ms. Giannitrapani stated that the committee did not meet in September. The committee does have two meetings scheduled in October to discuss the Executive Director's compensation as well as the new minimum wage increase.

STUDENT ENGAGEMENT AD HOC COMMITTEE REPORT

Mr. Wong stated the committee met today, September 27 and discussed the t-shirt contest and committee goals.

FINANCE DIRECTOR'S REPORT

August Financial Results

August gross income for the Association as a whole was \$284,000 or 5.8% less than planned and \$127,000 or 2.7% less than August 2012.

The Store Division reported a negative variance of \$283,000 against plan and a \$166,000 negative variance compared to the prior year. This negative variance resulted primarily from decreased income in the Computer Store, where sales were \$313,000 less than planned; and in Used Text, where sales were \$34,000 less than planned. These negative variances were partially offset by positive variances in Bearwear, where sales were \$18,000 greater than planned due to increased visitor traffic; and in the Health Sciences Store, where timing of dental kit sales resulted in a positive variance of \$112,000 compared to plan.

Gross income in the Restaurants Division was \$28,000 less than planned due primarily to decreased income from the Cooperage, where sales were \$12,000 less than planned; decreased income from Catering, where sales were \$10,000 less than planned; and decreased income from Café Synapse, where sales were \$9,000 less than planned. These negative variances were partially offset by a positive variance in the South Campus Student Center where sales were \$6,000 greater than planned.

Income from the Services Division was \$7,000 less than planned due to aggressive budgeting.

Gross income from the Student Union Division was \$34,000 greater than planned due to new off-campus events and the new UCLA Tour presentation and Orientation program.

The negative variances in gross income were partially offset by positive variances in wages and benefits, which were \$35,000 less than planned due to attrition and open positions; and by an \$11,000 positive variance in other controllable expenses; such that contribution for the Association as a whole was \$30,000 less than planned but \$39,000 greater than the prior year.

Allocated expenses for the month were \$50,000 less than planned with positive variances appearing in Administrative & Support Services and Maintenance areas, where expenses were \$12,000 and

\$32,000 less than planned, respectively; and depreciation for the month was \$14,000 less than planned.

Together these results allowed for net income that was \$23,000 greater than planned and \$11,000 greater than the prior year.

In terms of cash, the Association reported a book balance of \$11,601,000 for the month, a level that is \$1.4 million greater than August 2012. Of this balance, \$4,100,000 has been reserved for capital projects, leaving \$6,391,000 in uncommitted cash which is \$29,000 greater than the board-required cash reserve.

In August past due accounts receivable were at 4% of total accounts due; and Mr. Delia explained that this increase resulted from timing of receivables from Panda Express that had been received after the fiscal period ended.

Store inventories at cost in August were at a level that is lower than both the prior year and FY 11-12; while inventory turns remained steady at 4.5.

September Preliminary Sales

Mr. Delia reported that, to-date in September; Store sales are \$466,815 less than planned due to the following:

1. Sales in computer hardware are \$179,770 less than planned;
2. Sales in the Health Sciences Store were \$140,459 less than planned, mostly due to timing of dental kit sales;
3. Sales at the September 21 game at the Rosebowl are \$78,000 which led to a \$51,864 positive variance in Bearwear;
4. Sales in LuValle Commons were \$107,359 less than planned, mostly in new text (\$86,880).

Based upon these results management anticipates that gross margin will be \$72,373 less than planned by month-end.

In the Restaurants Division, month-to-date sales were \$28,665 greater than planned (+2.05%) and \$31,825 better than the prior year (+2.28%). This positive variance resulted from increased income in Catering, where sales were \$98,144 greater than planned, however that variance was partially offset by several negative variances.

1. Sales in LuValle Commons were \$14,705 less than planned;
2. Sales from Concessions were \$9,987 less than planned; and
3. Sales from Carl's Jr. were \$9,128 less than planned.

UNICAMP HOMECOMING FUNDRAISER

Ms. Liu made a motion that the Services Committee is recommending that the Associated Students UCLA Board of Directors approve to support fundraising for UCLA UniCamp during Homecoming

Week.

Ms. Liu explained that Michael Starr, representative from the Homecoming Committee approached the Services Committee with a proposal for a homecoming fundraiser to benefit UCLA UniCamp. The fundraiser would allow for donation jars to be placed at the food service and select store registers and for cashiers to ask for a \$1 donation at the end of transactions at the Bearwear registers. The fundraiser would last for one week only.

The Services Committee approved the fundraiser since UCLA UniCamp is the official charity of the students.

Mr. Zeke felt very strongly that asking for donations during transactions in Bearwear was unnecessary as it makes the customer feel very uncomfortable. Discussion ensued whether or not it was appropriate to ask for the \$1 donation and it there was consensus that donation jars were appropriate since it is voluntary and not to ask for donations in Bearwear.

Mr. Zeke made a motion; seconded by Mr. Kurtzman that the motion be amended to read "ASUCLA will support a UCLA UniCamp Homecoming Fundraiser to allow for donation jars to be placed at Food Service, Bearwear, and select Store registers for one week". Mr. Ontiveros called for a vote to approve the amendment. The motion was approved by a vote of 8 yeas and 1 nay.

Discussion then continued on whether or not ASUCLA should match the donations collected or give a monetary donation directly to UniCamp. It was agreed upon that ASUCLA as a non-profit organization should not be donating to another non-profit organization.

Mr. Kurtzman made a motion, seconded by Mr. Wong that the ASUCLA Board of Directors approve a UCLA UniCamp Homecoming Fundraiser to allow for donation jars to be placed at Food Service, Bearwear, and select Store registers for one week. Mr. Ontiveros called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

EXECUTIVE SESSION

Mr. Ontiveros called for consent for the Associated Students UCLA Board of Directors to enter into Executive Session. There being no objections, the motion was approved by unanimous consent.

The Board entered into Executive Session at 1:28 p.m.

Mr. Ontiveros called for consent to exit the Associated Students UCLA Board of Directors Executive Session. There being no objections, the motion was approved by unanimous consent.

The Board exited Executive Session at 1:57 p.m.

ADJOURNMENT

Mr. Ontiveros called for consent to adjourn the Associated Students UCLA Board of Directors September 27, 2013 Regular Meeting. There being no objections, the meeting was adjourned at 1:58 p.m.

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Pursuant to Bylaw 3, section 3.6(d) of the ASUCLA Board of Directors Bylaws, I have reviewed these Minutes and hereby attest to their accuracy.

Michael Jedlicka
Board Secretary and Alumni Representative